

*Office of the Superintendent
Chebeague Island School Department*

REC'D JUN 16 2008



Mr. Alton L. Hadley, III
Chebeague Island School Department
14 School House Road
Chebeague Island, ME 04017

June 12, 2008

Susan Gendron
Commissioner of Education
Maine Department of Education
23 State House Station
Augusta, Maine 04333

Dear Commissioner Gendron:

Please accept the enclosed application packet as Chebeague Island School Department's Alternative Plan for Reorganization as required by legislation related to P.L. 2007, Chapter 240, and Part XXXX. If any further information is required, please let me know.

Sincerely,

Alton L. Hadley, III
Alton L. Hadley, III
Superintendent of Schools

Tel. (207) 846-4162

Fax (207) 846-5465

**Chebeague Island School Department
Alternative Plan Contents**

1. Submittal Sheet
2. Alternative Plan Cover Sheet
3. Exceptions to 2,500 minimum check sheet
4. Exhibit A - Alternative Plan Financial Review
5. Exhibit B- Exceptions to 2,500 minimum, Documentation
6. Exhibit C- Alternative Plan Budget Information
 - a. System Administration
 - b. Operation & Maintenance of Facilities
 - c. Special Education
 - d. Transportation
7. FY 09 Assurances, Documentation
8. Additional Efficiency Goals
9. Commissioner Letters

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- Chebeague Island School Department

Contact Information:

Name: Alton L. Hadley, III
Address: 14 School House Road
Chebeague Island
ME 04017
Telephone: (207)846-4162
email: alton.hadley@chebeague.k12.me.us

Date Plan Submitted by SAU: June 12, 2008

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?



YES



NO

(If NO, please explain.)

Alternative Plan Cover Sheet

(Please attach Alternative Plan as Exhibit A)

Plan Requirements				
Item	Complete	In Progress	Not Yet Started	Need Assistance ¹
Plan addresses how the SAU will reorganize administrative functions, duties and noninstructional personnel so that projected expenditures of RSU in fiscal 2008-2009 for the following areas will not have an adverse impact on the instructional program.				
system administration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
special education	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
facilities and maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan addresses how cost savings will be achieved in fiscal 2008-2009 for the above four areas.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parameters for Plan Development				
Enrollment meets requirements (2,500 except where circumstances justify an exception)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Includes at least one publicly supported high school	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consistent with policies set forth in section 1451	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of teachers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of students	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborative Agreements				
			Yes	No
Does your plan currently include information/documentation on collaborative agreements? (not required, but encouraged)			<input checked="" type="checkbox"/>	<input type="checkbox"/>

¹ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on the next page.

Actual number of students for which the SAU is fiscally responsible: 39

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other Unique Circumstances	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?

Chebeague Island School Department
Alternative Plan

Exhibit B

Exceptions to 2,500 Minimum

Geography and Other Unique Circumstances

Because of our geographic location and unique circumstances
Chebeague Island is submitting an Alternative Plan as an “Off Shore
Island”.

Documentation:

PART XXXX

Sec. XXXX-1. 20-A MRSA §1, sub-§20-A is enacted to read:

SUBCHAPTER 2
FORMATION OF REGIONAL SCHOOL UNIT

B. In order for the plan to be approved by the commissioner, the governing bodies of school administrative units shall work within the following parameters.

(1) The proposed regional school unit must serve not fewer than 2,500 students, except where circumstances relating to the following factors justify an exception:

When circumstances justify an exception to the size requirement of 2,500 students, the unit must serve as close to 2,500 students as possible and in no case, except for **coastal islands and schools operated by tribal school committees**, may it serve fewer than 1,200 students

**CHEBEAGUE ISLAND SCHOOL DEPARTMENT
ALTERNATIVE PLAN**

EXHIBIT C: SYSTEM ADMINISTRATION

	MEDMS FY 08	BUDGET FY 09	VARIANCE	%
<u>SCHOOL COMMITTEE</u>				
Stipends and Benefits	\$1,220.00	\$1,290.00		
Purchased Services	\$5,500.00	\$5,500.00		
Supplies and Equipment	\$0.00	\$0.00		
All Other	\$500.00	\$750.00		
<u>SUPERINTENDENT'S OFFICE</u>				
Salaries and Benefits	\$53,673.00	\$27,328.00		
Purchased Services	\$1,800.00	\$1,350.00		
Supplies and Equipment	\$20,000.00	\$2,250.00		
All Other	\$1,700.00	\$1,850.00		
<u>TOTAL SYSTEM ADMINISTRATION</u>	\$84,393.00	\$40,318.00	-\$44,075.00	-52.23%

STAFFING LEVELS

Superintendent	0.30	0.20
Administrative Secretary	0.50	0.33
	0.80	0.53

**Chebeague Island School Department
Alternative Plan
Exhibit C: System Administration**

During the first year of operation as an independent municipal school department, Chebeague Island combined system and school administration under the Superintendent's Office. This year reflects the separation of these two functions.

The system administration reflects a decrease of \$44,318 (-52.23%). However, the real net decrease is only \$16,501 (-19.6%) after shifting support for the office of the Principal to the appropriate location.

Future reductions will be very difficult. The Superintendent employed in the upcoming budget year will be compensated for one day per week and still has the same responsibilities.

**CHEBEAGUE ISLAND SCHOOL DEPARTMENT
ALTERNATIVE PLAN**

EXHIBIT C: OPERATION & MAINTENANCE OF FACILITIES

	MEDMS FY 08	BUDGET FY 09	VARIANCE	%
<u>CUSTODIAL SERVICES</u>				
Salaries and Benefits	\$41,714.00	\$31,898.00		
Purchased Services	\$3,600.00	\$3,500.00		
All Other		\$150.00		
<u>OPERATIONAL MAINTENANCE</u>				
Purchased Services	\$24,000.00	\$24,000.00		
Supplies and Equipment	\$2,000.00	\$3,000.00		
Other Contracted Services	\$6,532.00	\$4,500.00		
Repair & Maintenance	\$18,000.00	\$15,500.00		
Capital Improvement Reserve	\$10,000.00	\$10,000.00		
All Other				
<u>TOTAL O & M OF FACILITIES</u>	\$105,846.00	\$92,548.00	-\$13,298.00	-12.56%
<u>STAFFING LEVELS</u>				
Custodian/Food Services	1.00	0.65*		

Chebeague Island School Department
Alternative Plan
Exhibit C: operation & Maintenance of Facilities

This item in the current FY08 budget was a best estimate as we began our first year of operation. In addition, because of the employee in position, we included food services cost in this account. The savings reflected in the FY 09 budget of \$13,298 (-12.56%) has been achieved by removing all food services costs from this account.

Future decreases in the Operation and Maintenance of Facilities will be difficult to achieve, due to the recent major increases in energy costs, over which we have no control. We also include a Capital Improvement Plan deposit into a designated reserve account for future projects to upgrade the facility.

Reductions are difficult for the following reasons:

- Our Island location provides few choices in the purchasing of heating oil and maintenance services.
- The Chebeague Island School Committee is committed to maintaining its facility and will continue to budget the necessary funds to assure that there are no longer deferred maintenance costs as there have been in the past.
- Maintenance costs for services provided by off-island vendors cost the school department nearly 40-50 % more than it might on the mainland because of transportation, parking, barging and/or fuel surcharges.

**CHEBEAGUE ISLAND SCHOOL DEPARTMENT
ALTERNATIVE PLAN**

EXHIBIT C: SPECIAL EDUCATION

	MEDMS FY 08	BUDGET FY 09	VARIANCE	%
<u>SPECIAL EDUCATION</u>				
Salaries and Benefits	\$21,776.00	\$21,824.00		
Purchased Professional Services	\$12,000.00	\$16,000.00		
All Other	\$5,400.00	\$2,600.00		
<u>TOTAL SPECIAL EDUCATION</u>	\$39,176.00	\$40,424.00	\$1,248.00	3.19%

STAFFING LEVELS

Special Education Teacher 0.60

**Chebeague Island School Department
Alternative Plan
Exhibit C: Special Education**

This item in the current FY08 budget was a best estimate as we began our first year of operation. Currently we employ a special education teacher twenty hours per week. The teacher provides required services within an academic environment. The school department contracts with all other professional services providers (i.e. physical therapy, occupational therapy, speech and language services) from off island. These services are costly and when additional transportation costs are factored in we increased this account.

In FY 09, we know that there will be at least one additional student needing services that have to be delivered by off island personnel. In addition, we are billed for support services provided by professional service providers to Chebeague Island students attending MSAD #51 schools.

The unknowns of Special Education makes it next to impossible to make predictions on reducing special education costs.

**CHEBEAGUE ISLAND SCHOOL DEPARTMENT
ALTERNATIVE PLAN**

EXHIBIT C: TRANSPORTATION

	MEDMS FY 08	BUDGET FY 09	VARIANCE	%
<u>TRANSPORTION SERVICES</u>				
Salaries and Benefits	\$32,376.00	\$31,303.00		
Purchased Services	\$4,400.00	\$5,450.00		
Purchased Transportation	\$55,800.00	\$45,800.00		
Repair & Maintenance	\$2,500.00	\$3,000.00		
<u>TOTAL TRANSPORTATION</u>	\$95,076.00	\$85,553.00	-\$9,523.00	-10.02%

STAFFING LEVELS

Bus Driver 1.00

**Chebeague Island School Department
Alternative Plan
Exhibit C: Transportation**

This item in the current FY08 budget was a best estimate as we began our first year of operation. The savings reflected in the FY 09 budget of \$9,523 (-10.02%) has been achieved by reflecting actual expenditures experienced during FY 08.

Future decreases in the Transportation will be difficult to achieve, due to the recent major increases in energy costs, over which we have no control.

Reductions are difficult for the following reasons:

- Our Island location provides few choices in the purchasing of diesel fuel and maintenance services.
- The Chebeague Island School Committee is committed to providing transportation services to the Chebeague Island students that attend the schools of MSAD #51. That commitment would include bus service, ferry service, and a late bus to enable students to seek extra help, participate in clubs and co-curricular activities and to be full members of their educational community on the mainland.
- Transportation and maintenance costs for services provided by off-island vendors cost the school department nearly 40-50 % more than it might on the mainland because of barging and/or fuel surcharges.

FY 09 Assurances

P.L. 207, Chapter 240, Part XXXX-36 (6)(F) that “ ... the projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional program”

The Chebeague Island School Department has thoroughly examined its educational needs and has evaluated its services and cost associated with doing business on Chebeague Island. The School Committee and the community are fully committed to offering a program of studies that meets the requirements of the Maine Learning Results as well as offering a well-rounded educational opportunity for all Chebeague Island children.

The projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional programs offered by the Chebeague Island School Department.

Additional Steps to Achieve Efficiency Goals:

As part of a previously agreed upon collaborative agreement with the other off shore island schools Chebeague Island School Department will continue to pursue further collaborative relationships as listed below.

MAINE ISLAND SCHOOL COLLABORATIVE

Chebeague Island School Department will participate, to the extent feasible, in the Maine Islands School Collaborative with the goal of sharing services, resources, and expertise to maintain and promote the excellence of island education. Vinalhaven will partner with these schools and the Island Institute to develop proposals for sharing services, such as:

- Fiscal management
- Technology and data processing
- Library services
- Insurance coverage
- Energy conservation and management
- Staff development
- Curriculum development
- Student testing and evaluation
- Low-incidence special education services
- Bulk purchasing of supplies
- Distance Learning
- Student inter-island programming

Activities:

1. Representatives from each of the participating islands will meet twice a year to discuss and review existing organizational structures.
2. Inter-Island professional development activities will be planned on an on-going basis.
3. On-going conversations and cooperative agreements with neighboring mainland school systems will be fostered & encouraged.

December 14, 2007

Alton Hadley, III, Superintendent
Chebeague Island School Department
14 School House Road
Chebeague Island, ME 04074

Dear Superintendent Hadley:

Thank you for the Alternative Plan that you submitted on behalf of Chebeague Island School Department on November 26, 2007 for Department review for compliance with the school reorganization law, P.L. 2007, chapter 240, Part XXXX.

I recognize how much time, effort and thoughtful work is required to complete an alternative plan and appreciate the efforts made, to date, by all those involved.

Members of my staff and I have reviewed the submission and offer the comments and notes listed below to assist you in completing the plan. If you make any substantive change(s) to any part of the plan beyond those listed below, please be sure to note those on the Updated Alternative Plan Cover Sheet Checklist, along with notation of those items that have changed per the notes contained in this response.

General Documentation (Submittal Sheet)

- All information submitted as required.
- The actual number of students for which the proposed RSU was fiscally responsible as of October 1, 2006 was 39. I am making you aware of this as this is the enrollment number that will be used in determining Essential Programs and Services funding.

Checklist/Plan Text Items

Items Checked "Complete"

With respect to the items you checked as "complete", please note the following:

** Required Items*

Please address the requirement in P.L. 2007, chapter 240, Part XXXX-36(6)(F) that "... the projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional program" by providing an assurance to that effect. Note: We will confirm this assurance against the information that was required to be submitted to the MEDMS Financial System in August, 2007.

Items Checked "In Progress" or "Not Yet Started"

With respect to the items you checked as "in progress" or "not yet started", we are unable to complete our review until the additional information is provided. However, based on our preliminary review we would ask you to please note the following:

** Required Items*

In Exhibit A, we have included a comparison of (A) the 2007-08 EPS allocations for the four categories of system administration, transportation, special education, and facilities and maintenance and (B) your unit's 2007-08 budget information (if available) for these four categories. Also included are estimated 2008-09 EPS allocations for system administration, transportation, and facilities and maintenance. I encourage you to review this information. NOTE: If the 2007-08 budget information is missing then it is likely that your unit has not submitted this information to the MEDMS Financial System; please see Administrative Letter # 20, dated 2/13/2007 for instructions.

A model for budgeting for system administration is available at www.maine.gov/education/supportingschools/planning.html.

The Department of Education will be issuing an RFP to procure routing software to be available statewide. It is the Department's intent to issue the RFP early in 2008 and have a contract signed with a vendor as soon thereafter as possible so that the software will be available to RSUs and municipalities as soon as possible. SAUs may begin to work with the system in FY 2008-2009 but will not be able to budget any cost savings until FY 2009-2010.

We will review all items on the checklist again, upon your completion of the plan.

SUBMISSION OF REVISIONS:

Please provide the additional materials to complete your plan by February 1, 2008. Please include:

- Any additional data required
- An updated Submittal Page

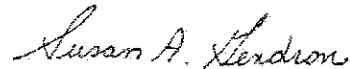
- An updated Cover Sheet Checklist
- A copy of this Response from the Commissioner.

I will respond no more than 14 days after the revisions/additional materials are refiled with the Department. As you are the contact person identified on the Submittal Sheet, this response is addressed to you but with the understanding that you will share it with your school administrative unit board members.

Finally, what I am reviewing for approval is a plan (or a submission, if the plan is incomplete) which is by its very nature prospective, with steps yet to be taken or finalized; and any review comments or approval given are in relation to the elements required under P.L. 2007, chapter 240, Part XXXX but not the legality of all the activities proposed. Thus, I strongly recommend that you have your own legal advisor(s) review the details of any particular transaction proposed in your plan (particularly with respect to the disposition of property, to debt, and to employee contracts/relations) as you proceed, to ensure the legality of the steps you'll be taking to implement the plan. If that review leads to any substantive changes in any parts of your plan, please be sure to submit an amended plan to the Department for our review and our file.

Again, my sincere thanks for your efforts.

Sincerely,



Susan A. Gendron
Commissioner of Education

Enc.